## IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

THOMPSON PRODUCTS, INC.,	)
Plaintiff,	)
v.	)
GLENN THOMPSON, et al.,	) Case No. 05-11810-RGS
Defendants.	)

### SUPPLEMENTAL DECLARATION OF EMERSON TALBOT BRIDDELL

This day Emerson Talbot Briddell declares under penalty of perjury as follows:

- 1. Following the resignation of Glenn Thompson ("Thompson") from Thompson Products Holdings, Inc. ("TPHI") and its wholly-owned subsidiary, Thompson Products, Inc. ("TPI"), effective July 12, 2005, I was hired by the companies to serve as President and interim Chief Executive Officer. I served in that capacity until November 11, 2005, when a new President was hired, but I have continued to serve TPHI and TPI since then as interim Chief Financial Officer and Chief Restructuring Officer. In those jobs I have become familiar with the post-termination competitive activities of Glenn Thompson recited herein.
- 2. Prior to resigning from TPHI and TPI as of July 12, 2005, Thompson negotiated with the boards of directors of TPHI and TPI to buy TPI, but he was unsuccessful as his offer price was too low. He, therefore, resigned from his positions with both companies. Thompson informed me of these facts before he left TPI. I also discussed the circumstances surrounding Thompson's departure with members of the TPI Board of Directors who were more intimately involved at the time, including Adeyemi Sonuga and Brian Gleason.
- 3. The records of TPI available to me as President of TPI confirm that Thompson left the employ of TPI with full knowledge of every aspect of TPI's business, including its

material and labor costs, other manufacturing and distribution costs, secured and unsecured debt. profit margins, customers, and customer identification numbers used to do business with customers, among others. Thompson was President of TPI from 1997 until 2005 and had the same full and unfettered access to all aspects of TPI's business as I did when I succeeded him as President.

- 4. Shortly after his resignation from TPHI and TPI, Thompson formed a new company called Thompson Enterprises, Inc. and promptly began to act through that company to establish a business in direct competition with TPI. I have obtained and reviewed the public records on file concerning creation of this company and, as a past President and current officer of TPI, I am familiar with Thompson's competitive activities in the marketplace served by TPI.
- 5. Shortly after TPI filed the Complaint in this action, Thompson changed the name of Thompson Enterprises, Inc. to Splash Creations, Inc. ("Splash"). The public records confirm this name change, as does Thompson in papers filed in this lawsuit. Moreover, Splash's website, which identifies Thompson as "the former head of Thompson Products, Inc.," confirms that Splash is selling products that directly compete with products sold by TPI. An excerpt from Splash's website is attached as Exhibit A.
- 6. Since his resignation from TPI and his formation of Splash, Thompson has solicited at least nine TPI or TPI affiliated employees, all in charge of various aspects of TPI's manufacture, distribution and sale of photo boxes, albums and journals as of Thompson's resignation date. Those employees include Lina Au, TPI's office manager in the Hong Kong offices of its China affiliate; CL Ting, the director of manufacturing of that affiliated company; Mark Solomon, TPI's product development director; Gina Bailey, its art director; and Richard

Orsi, its vice president of operations, among others. All such personnel are now employed by Thompson/Splash, as stated on Splash's website, an excerpt of which is attached as Exhibit B.

- 7. To establish his U.S. competitive business, Thompson visited Hong Kong in the late summer of 2005 and rented space for his newly created China manufacturing operations in the very same city, on the same street and even in the same building where TPI's China-affiliated company has its offices. Splash's website provides the address of its Hong Kong facility. An excerpt from the website is attached as Exhibit C. John Jordan, TPI's Vice President of Marketing, met with Thompson during his trip to Hong Kong. Jordan orally reported the details of Thompson's trip to me while he was in China in September and later provided me with a detailed written report when he returned to the United States on September 25, 2005. An excerpt of this report is attached as Exhibit D. Henry Heng, TPI's current Plant Manager in China, observed Thompson while he was in Hong Kong and sent me pictures of Thompson at the manufacturing facility of TPI's affiliate in China. Copies of these pictures are attached as Exhibits E and F.
- 8. Thompson is using a box factory in the Providence, RI area to produce and sell photo boxes in direct competition with TPI and, specifically, to Christmas Tree Shops, a former customer of TPI who was well known to Thompson while he was employed by TPI. TPI's Channel Manager, Dave Muir, has viewed Splash's product for Christmas Tree Shops and orally reported this to me. Various TPI employees, including Derek Almeda, have reported to me that Thompson's new factory is in Providence. Splash's website provides the address of its U.S. facility as Johnston, RI, a suburb of Providence. An excerpt from Splash's website is attached as Exhibit G.

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- 9. Thompson has solicited at least one of TPI's customer representatives, Dawn Poole, to leave the employ of TPI and serve in the same position with Thompson/Splash in an effort to give Thompson/Splash the benefit of her good relationship with one or more TPI customers, earned over time and with much effort and expense. Sam Simmons, TPI's new President, orally reported Thompson's solicitation of Ms. Poole to me on or about November 15, 2005.
- 10. Upon information and belief, Thompson has contacted one of TPI's primary independent contractor manufacturer's representatives for the purpose of soliciting him to abandon TPI and represent Thompson/Splash with TPI's very valuable customer.
- Thompson has recently used TPI's confidential customer account number to gain access to Michaels Stores, a TPI customer, and solicit business from that customer. On or about November 9, 2005, VendorConnect, Michaels Stores' vendor website, sent TPI notice that Glenn Thompson's request to be a "User" under TPI's approved customer account number had been denied. A copy of this email is attached as Exhibit H.
- 12. Thompson has solicited and obtained an opportunity to submit product samples to Wal-Mart, a TPI customer, with the knowledge of every aspect of TPI's business and its relationship with the customer, in an effort to obtain an unfair competitive advantage over TPI in the marketplace. Sam Simmons, TPI's new President, and Dawn Poole, Wal-Mart's category manager and a TPI employee, orally reported Thompson's unlawful competitive acts regarding Wal-Mart to me on or about November 1, 2005.
- 13. In the incredibly short span of three to four months, Thompson has created a business directly competitive with TPI as to certain products, which is almost its mirror-image, and with the current capacity to compete head-to-head for TPI's valuable customers. It has taken

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TPI years to build its business; it has taken Thompson but a third of a year. Thompson's incredible feat has been made possible by his knowledge of TPI's confidential financial and customer information and by his use of that knowledge, plus the knowledge of every aspect of TPI's business, confidential and non-confidential, to TPI's competitive disadvantage. I have close to 40 years of business experience, and it is my opinion that without Thompson's knowledge and use of TPI's confidential and general business information, Thompson could not have made his new company a viable competitor in the marketplace in such a short span of time.

- 14. Thompson contracted to abide by certain Restrictive Covenants set out in the November 24, 1997 Asset Purchase Agreement, and he was paid handsomely by TPHI and TPI for those personal covenants. In my capacity as a past President and a current officer of TPI. I am familiar with TPI's records relating to this sale.
- 15. Since his resignation from TPHI and TPI, Thompson has violated almost every one of the Restrictive Covenants contained in paragraph 2.4 of the Asset Purchase Agreement:
  - (a) he has used, and he continues to use, TPI's Confidential Information. including, but not limited to, its confidential customer account numbers, to compete with TPI;
  - he has solicited and employed several people who were employed by TPI (b) within six months of Thompson's July 12, 2005 resignation from TPI; and
  - (c) he has been engaged, and he continues to be engaged, as an owner and officer in a business that involves activities that are directly competitive with the business of TPL
- 16. Thompson's violations are causing, and they will continue to cause, irreparable harm to TPI unless he and Splash are enjoined from continued violations.
  - 17. I declare under penalty of perjury that the foregoing is true and correct.

Executed this 3<sup>rd</sup> day of January, 2006.

EMERSON TALBOT BRIDDELI

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## **About the Company**

Splash Creations was founded in 2005 by Glenn Thompson, former head of Thompson Products, Inc. Headquartered in Providence, Rhode Island, with offices in Hong Kong and manufacturing facilities in the U.S. and Asia, Splash Creations is an international company led by a management team with years of industry experience.

Splash Creations' mission is to lead the industry in the design, manufacture and marketing of high-value photo storage products for mass market retailers. We are dedicated to combining our extensive manufacturing and design expertise to bring our customers fashionable designs, consistently high quality, quick response development and production at competitive prices.

Management Team Locations Community Employment News

Core Basics Promotional Brags & Minis Scrapbooks Photo Storage Boxes Refills/Accessories

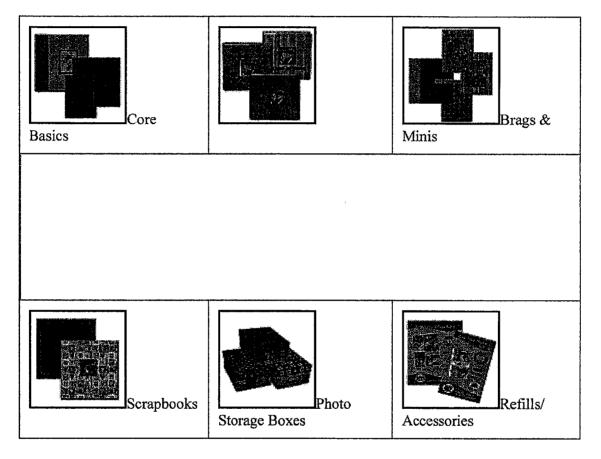
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## **Products**



Splash Creations offers a full line of high-quality, low-cost photo storage products. Our photo albums, scrapbooks and storage boxes come in an almost infinite array of styles and designs, and can accommodate practically every photo print size.

We are constantly adding new items to our line, so check in with us often. Our aim is to meet all your photo storage needs.

#### Fashion/Trend

We offer a chic and varied collection of quality photo albums designed for today's fashion-forward consumers.

Core Basics

We offer a full range of contemporary and classic photo albums in a variety of styles, colors and finishes.

#### Promotional

As your customer's photo strorage needs change - so do our product designs. Splash offers the most timely products for your customers - no matter the season.

#### Brags & Minis

Carry your photos in style with our photo brags and minis, available in a wide range of designs, from up-to-the-minute fashions to classic looks.

#### Scrapbooks

Creative and inspirational! Splash Creations offers scrapbooks designed to accommodate many print sizes in a range of exceptional textures and styles.

#### Photo Storage Boxes

Protect your photos in style with one of our many stylish and functional acid-free photo storage boxes.

#### Refills/Accessories

We offer all of those special accessories that will help make your photo album or scrapbook complete. Includes refill pages, photo corners, mounting supplies and plates.

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## **Management Team**

#### Glenn Thompson, Founder and President

Glenn Thompson is a 25+ year photo album industry veteran. Formerly president of Thompson Products, Inc., a family enterprise that he helped to grow from a small \$200,000-a-year business to a \$40-million company, Thompson is well known in the mass market retail industry for his business savvy and commitment to quality and customer service.

#### Richard Orsi, Vice President, Operations

Richard Orsi has 18 years' experience in sales, manufacturing and operations, most recently at Thompson Products, Inc., where he was responsible for expanding the company's manufacturing, distribution and information systems' capabilities.

#### Lynn Dolan, Vice President, Marketing

Lynn Dolan brings nearly two decades of experience in consumer product and brand marketing to Splash Creations. Before joining Splash, Dolan held marketing positions at Holson Burnes Group, Thompson Products, Inc., and most recently, Paramount Cards.

#### Lina Au, Vice President, Splash Hong Kong

Lina Au is responsible for overseeing Splash Creations' Asian operations. Au has 20+ years of experience in product development, sourcing and Asian operations oversight for companies including Climax, Holson Burnes Group and Thompson Products, Inc.

#### CL Ting, General Manager, Splash China Factory

CL brings over twenty-one years of production experience in the photo album, stationery and paper products industries. His invaluable experience includes a history with Climax, Tomex, Legend and Harvest.

#### Mark Solomon, Product Development Director

Mark Solomon brings a rich and varied consumer product development and design background to his job at Splash Creations. A former owner of a greeting card company, Solomon has also worked in various capacities at Silk Spiral Designs, the National Wildlife Federation and Thompson Products, Inc., winning industry recognition for his work.

#### Gina Bailey, Creative Director

Gina Bailey brings a keen design eye and a proven track record of anticipating the latest design and fashion trends and translating them into photo albums with wide appeal. An award-winning designer, Bailey worked at Silk Spiral Designs, Hallmark, and Thompson Products Inc., before joining Splash Creations.

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## Locations

#### U.S. Headquarters

Splash Creations Inc.

321 South Main Street

Providence, RI 02903

Tel: (401) 490-0334

Fax: (401) 490-0338

#### **Hong Kong Offices**

Splash Ltd.

Room 902

88 Hing Fat Street

Causeway Bay, Hong Kong

## Manufacturing Sites: Guangdong, China & Johnston, R.I.

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China Trip Summary

9/2/05 - 9/24/05

**EXHIBIT** 



# REDACTED



# REDACTED



## REDACTED

I returned to Hong Kong on the afternoon of 9/21 to finish work on preparation for the Walmart Canada meeting on 9/22. When I arrived, I found out that Glenn Thompson had walked into our office earlier that afternoon. He apparently waited for someone to leave for lunch and grabbed the door and walked in. Philip and I then went to the security desk to both request that they keep him out of our office and to ask again if he had leased space in our building. The security people were very evasive and said that they couldn't reveal the names of any new tenants. Philip and I got back in the elevator and began to stop at every floor to look around. On the 9<sup>th</sup> floor, Philip stepped around a corner into a new office under construction and there was Helen Li. We later found out that Glenn's new business is called Splash Creations.



The next day, Betty and I completed this work and submissions were made on time to Walmart on 9/24. On 9/24, just before noon, I received a call from Philip to inform me that he had just heard from Henry Heng that Glenn Thompson was at our factory. Philip had also called Medy, who was boarding his flight, with this news. We asked that Henry try to get a photograph of Glenn at our facility and ask him to leave or have him ejected from the facility. Henry was able to take a few photos and Glenn left.





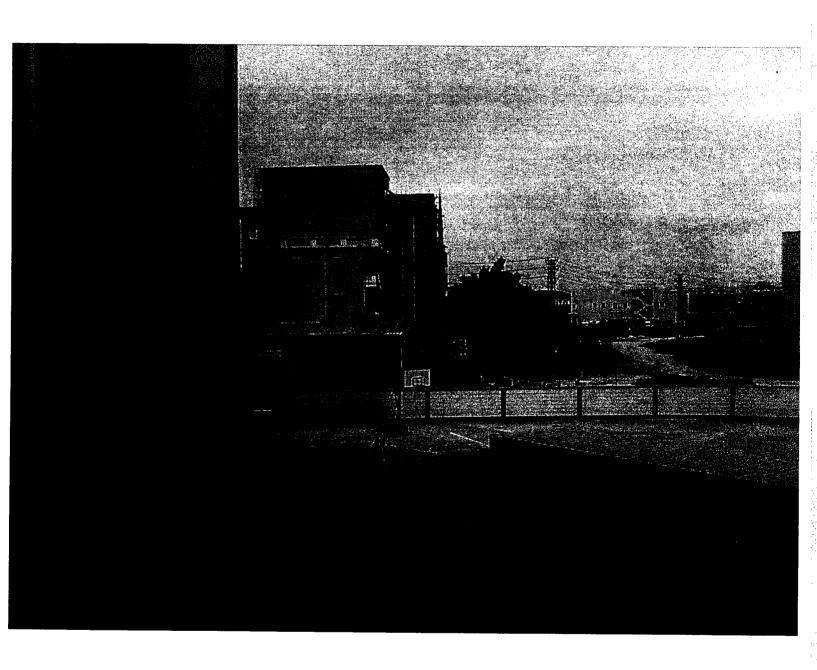


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## **Facilities**

Splash Creations is a global company, with offices in the U.S. and Hong Kong, and manufacturing operations in the U.S. and China.

Our manufacturing facilities include:

#### Guangdong, China

Splash Creations' newly completed manufacturing site comprises 240,000 square feet of the industry's most advanced equipment and technology. The innovative manufacturing and shipping procedures we have established at our factory enable us to ensure the highest possible quality control and on time delivery, as well as the most competitive costs and improved margins to our customers.

#### Johnston, R.I.

Splash Creations' photo storage box production takes place in our U.S. manufacturing plant, located in Johnston, R.I. Our Johnston facility adheres to the same innovative manufacturing procedures as our Guangdong plant, ensuring on-time delivery and consistently high quality to our customers.

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**EXHIBIT** 

Claire Hogan Thompson Products, Inc. 508-946-2513 chogan@thompsonproductsinc.com

----Original Message----

From: VendorConnect@VendorConnect.com [mailto:VendorConnect@VendorConnect.com] Sent: Wednesday, November 09, 2005 10:12 AM

To: Glenn Thompson Subject: User Deny

Your request to be a User under Vendor Number 28698 has been denied on the website www.VendorConnect.com.

Contact your National Sales Manager or equivalent if you feel this message is in error.

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